

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

Defendant Lloyd Shugart (hereinafter “Shugart”) filed a renewed motion for attorneys’ fees and costs pursuant to 17 U.S.C. §§ 505, 1203(b)(4),(5), and the “film delivery memo” at issue in this case. (Dkt. 189.) The Court denied Shugart’s initial motion for attorneys’ fees and costs without prejudice to his ability to file a properly supported motion. (Dkt. 187.) Shugart now reasserts his request, seeking an indeterminate amount of fees based on an enhancement of an asserted lodestar figure of “roughly \$300,000.00.” (Dkt. 189 at 4, 7-9.) Although not clarified in the renewed motion, the Court presumes Shugart’s previous request for costs in the amount of \$868.23 remains. ( See Dkt. 177 and Dkt. 189, Ex. F. at 16.) Plaintiff Propet USA, Inc. (hereinafter “Propet”) objects to the motion. (Dkt. 191.) Now, having considered the papers filed

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01 in support and in opposition, along with the remainder of the record, the Court hereby DENIES  
 02 Shugart's renewed request for attorneys' fees and GRANTS in part his request for costs for the  
 03 reasons discussed herein.

04 **BACKGROUND AND DISCUSSION**

05 On September 27, 2007, a jury found in Shugart's favor on his three counterclaims –  
 06 copyright infringement, violation of the Digital Millennium Copyright Act (DMCA), and  
 07 stolen/lost photos (as based on the film delivery memo). (Dkt. 136.) With an election of statutory  
 08 damages, Shugart's jury award amounted to a total of \$1,303,000.00. (*Id.* and Dkt. 166.) The  
 09 Court rendered final judgment in Shugart's favor on January 24, 2008. (Dkt. 175.)

10 Both the Copyright Act and the DMCA give the Court discretion to award costs and  
 11 reasonable attorneys' fees to a prevailing party. 17 U.S.C. §§ 505, 1203(b)(4), (5). *Accord*  
 12 *Fantasy Inc. v. Fogerty*, 94 F.3d 553, 555 (9th Cir. 1996) (“[A]n award of attorney's fees to a  
 13 prevailing [party] that furthers the underlying purposes of the Copyright Act is reposed in the  
 14 sound discretion of the district courts[.]”) Therefore, because he is the prevailing party in this  
 15 case, the Court may at its discretion award costs and reasonable attorneys' fees to Shugart. Also,  
 16 the film delivery memo contains provisions accounting for attorneys' fees in the event of a dispute.  
 17 (*See* Trial Exhibit 11.)

18 Shugart previously based a request for attorneys' fees in the amount of \$521,200.00 on  
 19 a contingent fee agreement entitling his counsel to an amount equal to forty percent of his  
 20 recovery. (Dkt. 177, Ex. B.) He also argued the reasonableness of the award sought under the  
 21 conventional lodestar computation, meaning the number of hours reasonably expended multiplied  
 22 by a reasonable hourly rate. *Jordan v. Multnomah County*, 815 F.2d 1258, 1262 (9th Cir. 1987).

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01 He calculated the lodestar as amounting to \$265,462.00, while arguing that such an amount should  
 02 be enhanced based, in particular, on the high degree of risk involved in taking his case and the  
 03 novelty and difficulty of the issues involved.

04 Propet objected to Shugart's request, contending that the amount of fees sought was  
 05 excessive, asserting an absence of evidence that the asserted hourly rates – \$625.00 per hour for  
 06 attorney Phillip Mann and \$450.00 per hour for attorney John Whitaker – are reasonable or  
 07 customary, or that the amount of time spent by the attorneys was reasonable or necessary. (See  
 08 Dkt. 177, Ex. C.) Propet contrasted the hourly rates with that of Shugart's initial attorney, Jon  
 09 Payne, who billed at a rate of \$245.00 per hour. (*Id.*, Ex. D.) Propet also disputed the contention  
 10 that the copyright and contract issues involved in this case were novel or especially difficult.

11 In denying Shugart's initial motion, the Court noted that the lodestar determination is “the  
 12 predominate element of the analysis' in determining a reasonable attorney's fee award.” *Morales*  
 13 *v. City of San Rafael*, 96 F.3d 359, 363 (9th Cir. 1996) (quoting *Jordan*, 815 F.2d at 1262). As  
 14 reflected above, that determination involves multiplication of the number of hours reasonably  
 15 expended on the litigation by a reasonable hourly rate. *Id.* “There is a strong presumption that  
 16 the lodestar figure represents a reasonable fee.” *Id.* at 363 n.8.

17 Following computation of the lodestar, the Court assesses whether it should adjust the  
 18 presumptively reasonable lodestar amount based on factors outlined in *Kerr v. Screen Guild*  
 19 *Extras, Inc.*, 526 F.2d 67, 70 (9th Cir. 1975), and not already subsumed in the initial lodestar  
 20 calculation. *Morales*, 96 F.3d at 363-64. *Kerr* adopted the consideration of twelve different  
 21 factors bearing on reasonableness:

22 (1) the time and labor required, (2) the novelty and difficulty of the questions

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01 involved, (3) the skill requisite to perform the legal service properly, (4) the  
 02 preclusion of other employment by the attorney due to acceptance of the case, (5) the  
 03 customary fee, (6) whether the fee is fixed or contingent, (7) time limitations imposed  
 04 by the client or the circumstances, (8) the amount involved and the results obtained,  
 05 (9) the experience, reputation, and ability of the attorneys, (10) the “undesirability”  
 06 of the case, (11) the nature and length of the professional relationship with the client,  
 07 and (12) awards in similar cases.

08 526 F.2d at 70. The subsumed factors presumably taken into account in the initial lodestar  
 09 calculation include: ““(1) the novelty and complexity of the issues, (2) the special skill and  
 10 experience of counsel, (3) the quality of representation, . . . (4) the results obtained,’ . . . and (5)  
 11 the contingent nature of the fee agreement[.]” *Morales*, 96 F.3d at 364 n.9 (internal quoted and  
 12 cited sources omitted). “[U]pward adjustments of the lodestar are proper only in ‘rare’ and  
 13 ‘exceptional’ cases, supported by specific evidence on the record and detailed findings by the  
 14 district court.” *Jordan*, 815 F.2d at 1262 (citing *Blum v. Stenson*, 465 U.S. 886, 898-901 (1984)).

15 In denying Shugart’s motion, the Court clarified that it may not consider the latter  
 16 subsumed factor – contingency – “in deciding to apply a multiplier to the lodestar fee      or in  
 17 *initially calculating the lodestar.*” *Davis v. City and County of San Francisco*, 976 F.2d 1536,  
 18 1548-49 (9th Cir. 1992) (emphasis added) (citing *City of Burlington v. Dague*, 505 U.S. 557  
 19 (1992)). Shugart’s argument as to contingency relied on cases involving attorneys’ fees in Social  
 20 Security benefits cases pursuant to 42 U.S.C. § 406(b), as opposed to fee-shifting statutes, like  
 21 those at issue here. *See, e.g., Gisbrecht v. Barnhart*, 535 U.S. 789, 801-02, 806 (2002) (“Fees  
 22 shifted to the losing party, however, are not at issue here. . . . 42 U.S.C. § 406(b) . . . does not  
 authorize the prevailing party to recover fees from the losing party. Section 406(b) is of another  
 genre: It authorizes fees payable from the successful party’s recovery.”); recognizing the lodestar  
 method as “the guiding light of our fee-shifting jurisprudence.”; emphasizing that “the lodestar

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01 method was designed to govern imposition of fees on the losing party[,]” and that, “[i]n such  
 02 cases, nothing prevents the attorney for the prevailing party from gaining additional fees, pursuant  
 03 to contract, from his own client.”) Shugart failed to address or even mention any of the law from  
 04 the Ninth Circuit Court of Appeals on this issue. *See, e.g., Welch v. Metropolitan Life Ins. Co.*,  
 05 480 F.3d 942, 947 (9th Cir. 2007) (“[C]ontingency cannot be used to justify a fee enhancement,  
 06 or an inflated hourly rate.”) (cited cases omitted); *Van Gerwen v. Guarantee Mut. Life Co.*, 214  
 07 F.3d 1041, 1048 (9th Cir. 2000) (“A district court may not rely on a contingency agreement to  
 08 increase or decrease what it determines to be a reasonable attorney’s fee.”); *Davis*, 976 F.2d at  
 09 1549 (stating that the Supreme Court in *Dague* declared that “the typical federal fee-shifting  
 10 statutes . . . do not allow for upward adjustments to a lodestar fee on the basis that prevailing  
 11 party’s counsel incurred the risk of nonpayment.”); “[W]e believe that [the *Dague* Court’s]  
 12 rejection of contingency as a basis for multiplying a lodestar fee similarly dictates that contingency  
 13 not be a factor in the setting of billing rates. *Dague* represents an outright rejection of contingency  
 14 as a factor relevant to the establishment of a reasonable fee; it would seem to be immaterial  
 15 whether the consideration of contingency occurs in deciding to apply a multiplier to the lodestar  
 16 fee or in initially calculating the lodestar.”) (citing *Dague*, 505 U.S. 557).<sup>1</sup>

17 The Court also noted another critical failing in Shugart’s initial motion as related to the  
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19 <sup>1</sup> Shugart asserts his right to appeal this issue based on an alleged unsettled nature of the  
 20 law and based on reasoning set forth in both a dissenting opinion of *Dague* and a Washington  
 21 State Supreme Court case, *Chuong Van Pham v. Seattle City Light*, 159 Wn.2d 527, 541-42, 151  
 22 P.3d 976 (2007) (declining to “disapprove of contingency multipliers altogether.”) The Court  
 stresses that Shugart’s position on this issue does not excuse his failure to attempt to distinguish  
 or even mention the above-described case law, particularly given that he relied predominantly on  
 the issue of contingency in his motion.

01 establishment of a reasonable hourly rate. “The determination of a reasonable hourly rate ‘is not  
 02 made by reference to the rates actually charged the prevailing party.’” *Welch*, 480 F.3d at 946  
 03 (quoted sources omitted). Instead:

04 The prevailing market rate in the community is indicative of a reasonable hourly rate.  
 05 The fee applicant has the burden of producing satisfactory evidence, in addition to the  
 06 affidavits of its counsel, that the requested rates are in line with those prevailing in the  
 07 community for similar services of lawyers of reasonably comparable skill and  
 08 reputation. If the applicant satisfies its burden of showing that the claimed rate and  
 09 number of hours are reasonable, the resulting product is presumed to be [a]  
 10 reasonable fee . . . .

11 *Jordan*, 815 F.2d at 1262-63 (citing *Blum*, 465 U.S. at 895-97). *See also Carson v. Billings*  
 12 *Police Dep’t*, 470 F.3d 889, 892 (9th Cir. 2006) (holding that the prevailing market rate – not the  
 13 individual contract between the attorney and the client – “provides the standard for lodestar  
 14 calculations”). “Failure to provide evidence of prevailing legal rates in the community leaves a  
 15 court with an insufficient basis from which to conclude that the rates requested are ‘reasonable.’”  
 16 *Southerland v. International Longshoremen’s and Warehousemen’s Union, Local 8*, 845 F.2d  
 17 796, 801 (9th Cir. 1987) (remanding where “counsel submitted affidavits stating his experience  
 18 and that the rates claimed were reasonable,” but where “there [was] no evidence in the record that  
 19 [the] rates were comparable with the prevailing rates in the community.”) (citing *Jordan*, 815 F.2d  
 20 at 1263 n.9). In his initial motion, Shugart provided no support for his bare assertion that the  
 21 asserted hourly rates were reasonable.

22 The Court also indicated that it must “exclude from [the] initial fee calculation hours that  
 23 were not ‘reasonably expended,’” including “excessive, redundant, or otherwise unnecessary”  
 24 work. *Hensley v. Eckerhart*, 461 U.S. 424, 434 (1983). While noting that Shugart did submit  
 25 billing records from his current and former counsel (see Dkt. 177, Exs. C & D), the Court declined

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01 to closely analyze that evidence pending further briefing.

02 Denying Shugart's motion without prejudice, the Court stated that a renewed motion must  
03 reflect an accurate statement of the law and contain adequate support for the request made. Now,  
04 considering the renewed motion, the Court once again finds Shugart's request for attorneys' fees  
05 deficient.

06 As reflected above, the hourly rates at issue here include the following: \$625.00 per hour  
07 for attorney Phillip Mann; \$450.00 per hour for attorney John Whitaker; and \$245.00 per hour for  
08 attorney Jon Payne. Shugart states that Mann and Whitaker are intellectual property litigators  
09 with nearly twenty-five years and twelve years experience respectively. Shugart also states that  
10 both attorneys hold engineering degrees and routinely handle litigation involving complex  
11 computer-related technologies and issues, especially pertinent to the DMCA claim in this case.  
12 Finally, Shugart describes Payne as having almost twelve years legal experience with a focus on  
13 complex civil litigation, commercial litigation, county and municipality law, and civil appellate  
14 practice. However, for the reasons described below, the Court concludes that Shugart once again  
15 fails to meet his burden of producing satisfactory evidence that the asserted rates are in line with  
16 those prevailing in the community.

17 First, the fee applicant bears the burden "to produce satisfactory evidence – *in addition*  
18 *to the attorney's own affidavits* – that the requested rates are in line with those prevailing in the  
19 community for similar services by lawyers of reasonably comparable skill, experience and  
20 reputation." *Blum*, 465 U.S. at 895-97 (emphasis added); *accord Jordan*, 815 F.2d at 1262-63  
21 (same). Here, in two separate motions filed with this Court, none of the above attorneys  
22 submitted affidavits or declarations in support of their request for attorneys' fees.

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01       Second, the declarations that are submitted by Shugart fall short of establishing the  
02 reasonableness of the hourly rates. David Tellekson attests to his twenty-five years experience in  
03 intellectual property litigation and status as a managing partner in a law firm, and states his belief  
04 that the rates asserted by Mann and Whitaker are reasonable in light of what other lawyers with  
05 comparable skills and background charge in this market. (Dkt. 189, Ex. A.) Yet, Tellekson fails  
06 to identify his own billing rate. Gregory Wesner, an intellectual property litigator with more than  
07 seventeen years experience and a member of his firm's Associate Compensation Committee,  
08 likewise attests to the reasonableness of the rates without identifying his own billing rates or those  
09 of like experience within his firm. ( *Id.*, Ex. D.) On the other hand, Steven Fricke, an attorney  
10 with thirteen years of experience in the practice of intellectual property litigation and client  
11 counseling, states his hourly rate of \$475.00 per hour and his belief that his rate is commensurate  
12 with other attorneys of similar skill and experience in the Seattle area, without any assertion as to  
13 the reasonableness of the rates asserted by the attorneys involved in this case. ( *Id.*, Ex. B.)  
14 Shugart also attaches a December 2007 Order awarding Fricke \$23,230.00 in attorney's fees in  
15 a case in this Court based on his then standard billing rate of \$450.00 per hour. ( *Id.*, Ex. C.)  
16 While these two submissions appear at first glance to support at least Whitaker's rate, a review  
17 of the declaration submitted by Fricke in that 2007 case reveals his status as a registered patent  
18 attorney, *see High Maintenance Bitch, LLC v. Uptown Dog Club, Inc.*, C07-888TSZ (Dkt. 21),  
19 a qualification associated with neither Mann nor Whitaker and which significantly differentiates  
20 Fricke's skill level and billing rate.

21       In contrast, Propet's counsel, Bruce Kaser and James Philips, both intellectual property  
22 litigators with some twenty-five years experience, attest to, respectively, hourly rates of \$265.00

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01 and \$375.00 per hour. (Dkts. 192 and 193.) Propet also submits declarations from two other  
 02 intellectual property litigators with over forty and twenty years experience who attest to,  
 03 respectively, hourly rates of \$295.00 and \$425.00 per hour. (Dkts. 194 and 195.) While not  
 04 dispositive, the billing rates of attorneys are relevant evidence of a reasonable hourly rate in a  
 05 particular locality. *See Maldonado v. Lehman* , 811 F.2d 1341, 1342 (9th Cir. 1987). The  
 06 declarations submitted by Propet, when contrasted with the evidence submitted by Shugart, call  
 07 the reasonableness of the rates asserted by Mann and Whitaker into question.

08 Shugart also relies on the so-called “Laffey Matrix” to support his argument. However,  
 09 the Court finds this reliance misplaced given that the Laffey Matrix largely detracts from his  
 10 position. The Laffey Matrix sets out prevailing market rates of practicing attorneys in the District  
 11 of Columbia and, for the years 2007 and 2008, sets those rates at \$440.00 per hour for attorneys  
 12 with twenty or more years experience and at \$390.00 per hour for attorneys with eleven to  
 13 nineteen years experience. (Dkt. 189, Ex. E.) Shugart avers that, using the Laffey Matrix as a  
 14 guide, Payne’s hourly rate falls well below the accepted hourly rate of \$390.00 per hour for  
 15 general practice attorneys of a similar level.<sup>2</sup>

16 Yet, critically, given that the bulk of fees in this case are attributable to the work of Mann  
 17 and Whitaker,<sup>3</sup> the Laffey Matrix does not support the rates asserted by those attorneys, with  
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19       <sup>2</sup> The Court notes that, although such a distinction may well be appropriate, the Laffey  
 20 Matrix document submitted by Shugart does not differentiate between general practice and more  
 21 specialized counsel. (See Dkt. 189, Ex. E.)

22       <sup>3</sup> Billing records attached to Shugart’s renewed motion show \$260,455.00 total in fees for  
 23 services provided by Mann, Whitaker, and support staff, and \$34,710.64 in fees for services  
 24 provided by Payne’s firm. (Dkt. 189, Ex. F at 16 and 66.)

01 Whitaker's rate rising to \$60.00 more an hour and Mann's rate a substantial \$185.00 more an  
 02 hour. Despite these significant differences, responding to Propet's contention that the Laffey  
 03 Matrix figures are irrelevant to the Seattle market, Shugart contends locality pay differentials  
 04 support an almost exactly one-to-one translation between the District of Columbia and Seattle  
 05 markets. (See Dkt. 197 at 3-4 and Ex. A.) Shugart fails to explain how, in particular, the Laffey  
 06 Matrix could possibly support a \$625.00 per hour prevailing market rate in this community. Also,  
 07 while the Court can consider the Laffey Matrix figures while accounting for locality pay  
 08 differentials, *see, e.g., In re HPL Techs., Inc. Secs. Litig.*, 366 F. Supp. 2d 912, 921 (N.D. Cal.  
 09 2005), it finds the Laffey Matrix, alone, insufficient to establish the prevailing market rates in this  
 10 community. *See Camacho v. Bridgeport Financial, Inc.*, \_\_\_\_ F.3d \_\_\_, No. 07-15297, 2008 U.S.  
 11 App. LEXIS 8665, at \*11 (9th Cir. Apr. 22, 2008) ("Generally, when determining a reasonable  
 12 hourly rate, the relevant community is the forum in which the district court sits. '[R]ates outside  
 13 the forum may be used if local counsel was unavailable, either because they are unwilling or unable  
 14 to perform because they lack the degree of experience, expertise, or specialization required to  
 15 handle properly the case.'"; finding district court erred in failing to assess or determine prevailing  
 16 hourly rate in the relevant district) (citing and quoting *Barjon v. Dalton*, 132 F.3d 496, 500 (9th  
 17 Cir. 1997)).

18 Finally, Shugart provided no declarations or other support for the billing rates of other  
 19 professionals involved in this case. As noted by Propet, records from Payne's firm indicate the  
 20 involvement of several other individuals – Laura Doyle, with a billing rate of \$125.00 per hour;  
 21 Pam Gregory, with a billing rate of \$135.00 per hour; and Sandip Soli, with a billing rate of  
 22 \$220.00 per hour. (Dkt. 189, Ex. D at 3.) Shugart also acknowledged in his reply the work

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01 performed by Eryn Deblois, a paralegal and law clerk to Mann, with a billing rate of \$150.00 per  
 02 hour. From a review of the billing rates, it may be concluded that Soli is an attorney. However,  
 03 there is no information in the briefing as to his experience level and expertise. Also, while the  
 04 Court agrees with Shugart that work performed by non-attorneys is compensable, *see, e.g., United*  
 05 *Steelworkers v. Phelps Dodge Corp.*, 896 F.2d 403, 407-08 (9th Cir. 1990), it remains that he has  
 06 made no showing – outside of his assertion that Deblois’s rate is consistent with the Laffey Matrix  
 07 – as to the reasonableness of the rates of these individuals.<sup>4</sup>

08 The Court likewise finds the evidence submitted as to the hours expended on this case  
 09 deficient. Shugart asserts that his attorneys collectively dedicated approximately 633 hours to  
 10 litigate this matter and provides billing records. However, the 633 hours does not appear to  
 11 include the hours expended by Payne’s firm. (*See* Dkt. 189, Ex. F at 16.) Additionally, there is  
 12 no breakdown of the hours spent on various tasks or discussion of any possible duplication of  
 13 efforts given the various attorneys and other legal professionals involved in this case. *See Hensley*,  
 14 461 U.S. at 434 (“Counsel for the prevailing party should make a good-faith effort to exclude  
 15 from a fee request hours that are excessive, redundant, or otherwise unnecessary, just as a lawyer  
 16 in private practice ethically is obligated to exclude such hours from his fee submission. ‘In the  
 17 private sector, “billing judgment” is an important component in fee setting. It is no less important  
 18 here. Hours that are not properly billed to one’s *client* also are not properly billed to one’s  
 19 *adversary* pursuant to statutory authority.’”) (*quoting Copeland v. Marshall*, 641 F.2d 880, 891

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 21 <sup>4</sup> In fact, the Laffey Matrix supports a rate of \$125.00 per hour for paralegals and law  
 22 clerks in the District of Columbia for the years 2007 and 2008. (Dkt. 189, Ex. E.) Given that she  
 accounted for almost 200 of the some 633 hours total expended by Shugart’s current counsel (*see*  
 Dkt. 189, Ex. F), the evidence as to Deblois is particularly significant.

01 (D.C. Cir. 1980) (en banc) (emphasis in original)). Nor are the billing records accompanied by  
 02 affidavits or declarations from counsel confirming their truth and accuracy.

03 Noting that the Court, in its previous Order, advised Propet to support any challenge on  
 04 this issue with a detailed analysis of the evidence submitted and the relevant case law, Shugart  
 05 again simply attaches the billing records from his attorneys. Yet, the Court also previously noted  
 06 that it had not yet closely analyzed the evidence submitted and did not assert the sufficiency of that  
 07 evidence. Ultimately, Shugart bears the burden of establishing the appropriateness of his fee  
 08 request. *Hensley*, 461 U.S. at 437. *See also Frank Music Corp. v. Metro-Goldwyn-Mayer Inc.*,  
 09 886 F.2d 1545, 1557 (9th Cir. 1989) (“The trial court correctly refused to accept uncritically  
 10 plaintiffs’ counsel’s representations concerning the time expended. Plaintiffs bear the burden of  
 11 showing the time spent and that it was reasonably necessary to the successful prosecution of their  
 12 copyright claims. The lack of contemporaneous records does not justify an automatic reduction  
 13 in the hours claimed, but such hours should be credited only if reasonable under the circumstances  
 14 and supported by other evidence such as testimony or secondary documentation.”) (internal  
 15 citation to *Sealy, Inc. v. Easy Living, Inc.*, 743 F.2d 1378, 1385 (9th Cir. 1984)). He fails to meet  
 16 that burden here.<sup>5</sup>

17 Shugart does raise arguments in support of the hours expended in this case. He contends  
 18 the reasonableness of the hours based on the fact that he was forced to bring his counterclaims at  
 19 a time when he was ill-prepared to do so, the lack of any reasonable attempt at settlement, and his  
 20 success in the face of multiple summary judgment and post-trial motions, as well as at trial. He

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 22 <sup>5</sup> At the same time, the Court recognizes that Propet inadequately responded on the issue  
 of hours. Moreover, many of its objections could have been cured through discovery.

01 also generally argues as to his procedural disadvantage and the novelty and difficulty of the issues  
 02 involved in this case.

03       However, Shugart's claim as to his disadvantageous position as a defendant in this matter  
 04 is not well taken. Documents produced in litigation reveal that Shugart threatened Propet with  
 05 a lawsuit and a sale of the images at issue in this case on E-Bay if his demands for a financial  
 06 settlement were not met by a specific deadline. (*See* Dkt. 183, Ex. E.) While he may have felt ill-  
 07 prepared, Shugart cannot reasonably express surprise at the lawsuit. Nor does the Court perceive  
 08 or the record reveal any actual disadvantage to Shugart as a defendant/counter claimant in this  
 09 matter as a whole. Indeed, at trial, the Court allowed Shugart to proceed first. Additionally, while  
 10 the Court declines to address in detail its perception of the quality of the legal work in this case,  
 11 it is enough to say that it finds Shugart's two ill-supported motions for attorneys' fees emblematic  
 12 of the inadequate effort expended by both parties in this litigation. It is also worth noting that  
 13 Propet's multiple summary judgment motions were the result of the Court's findings as to their  
 14 prematurity and/or deficiencies, as opposed to the actions of an overly zealous litigant (*see, e.g.,*  
 15 Dkts. 66, 82, and 118), and that Shugart faced only a single defense witness to his counterclaims,  
 16 an individual with whom he had no contact during the course of his business relationship with  
 17 Propet (*see* Dkt. 148 at 321-22). Finally, the Court disagrees with the contention that the legal  
 18 issues in this case were especially novel or difficult. It could be argued, for example, that the  
 19 paucity of case law on the DMCA worked to Shugart's advantage.<sup>6</sup>

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 21       <sup>6</sup> Shugart also cites a survey reflecting the median costs of intellectual property litigation  
 22 in support of the hours expended. He asserts that Propet alleged that the amount in dispute was  
 \$30 million and that the median cost for such a litigation amounts to \$1 million through trial, while  
 a jury verdict of \$1.3 million, as in this case, amounts to a median cost of \$500,000.00 through

01       In sum, the Court concludes that Shugart again falls far short of meeting his burden of  
 02 establishing his entitlement to the attorneys' fees sought in this case. Because he fails at a  
 03 fundamental level to establish the reasonableness of the rates or hours at issue, the Court declines  
 04 to reach the issue of fee enhancement. The question, therefore, is whether the Court should  
 05 fashion its own determination as to a reasonable hourly rate and reasonable number of hours  
 06 expended, or deny Shugart's request.

07       As indicated above, the Court has discretion to award costs and reasonable attorneys' fees  
 08 to a prevailing party under both the Copyright Act and the DMCA. 17 U.S.C. §§ 505, 1203(b)(4),  
 09 (5). *See also Frank Music Corp.* , 886 F.2d at 1556 ("Plaintiffs in copyright actions *may* be  
 10 awarded attorney's fees simply by virtue of prevailing in the action: no other precondition need  
 11 be met, although the fee awarded must be reasonable.") (emphasis added). "A district court's fee  
 12 award does not constitute an abuse of discretion unless it is based on an inaccurate view of the law  
 13 or a clearly erroneous finding of fact." *Fantasy, Inc.*, 94 F.3d at 556 (quoting *Schwarz v.*  
 14 *Secretary of Health & Human Serv.*, 73 F.3d 895, 900 (9th Cir. 1995)). *See also Mattel Inc. v.*  
 15 *Walking Mt. Prods.* , 353 F.3d 792, 815 (9th Cir. 2003) ("Generally, a district court's order on  
 16 attorney's fees may be set aside if the court fails to state reasons for its decision or applies the  
 17 incorrect legal standard.")

18       Shugart also asserts his right to attorneys' fees under Washington State law due to  
 19 provisions in the film delivery memo. However, he fails to cite any applicable Washington law,

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 21 trial. However, he failed to provide a copy of the survey for the Court's review, asserting  
 22 restrictions on copying. Also, the Court clarifies that Shugart, not Propet, contended that this  
 dispute involved some \$30 million, based on his estimate of Propet's gross revenue for the period  
 in question. (See Dkt. 111 at 6 and Dkt. 113 at 7.)

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01 pointing only to a case discussing attorneys' fees under the Washington Law Against  
02 Discrimination, *see Chuong Van Pham v. Seattle City Light*, 159 Wn.2d 527, 538-40, 151 P.3d  
03 976 (2007), in support of his continued request for a contingency-based enhancement. Given this  
04 failing, the Court construes Shugart's request for fees only under the federal law specifically  
05 addressed in his motion.

06 The Court's discretion on the issue of attorneys' fees extends to a procedural or like failing  
07 on the part of the prevailing party. *See, e.g., Petrone v. Veritas Software Corp.*, 496 F.3d 962,  
08 972-74 (9th Cir. 2007) (upholding district court's decision to deny application for attorney's fees  
09 filed fifteen days late; stating: "In the end, this is a decision committed to the discretion of the  
10 district court. While the district court would not have abused its discretion in granting Malone's  
11 fee application, it did not abuse its discretion in denying it.") Here, Shugart twice submitted  
12 deficient motions for attorneys' fees. The second motion followed an Order from the Court  
13 spelling out the basic requirements for a fee application. The Court finds Shugart's failure to  
14 comply with those basic requirements inexcusable. As such, the Court exercises its discretion to  
15 deny his application.

16 Lastly, the Court addresses Shugart's request for an award of costs. In his initial motion,  
17 Shugart requested a total of \$868.23 in costs. (Dkt. 177 at 1.) Billing records attached to both  
18 his previous and renewed motion reflect that those costs derive solely from the period of Shugart's  
19 representation by Mann and Whitaker. (*Id.*, Ex. C at 14 and Dkt. 189, Ex. F. at 16.) Neither  
20 motion contains any discussion regarding those costs. Nor does Propet specifically challenge the  
21 costs.

22 The Court finds a partial award of the costs sought appropriate. Shugart here

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01 appropriately seeks costs for photocopying, the creation of tabs for trial notebooks, a conference  
02 room expense, and for the purchase of a trial transcript. (*Id.*) The Court finds no basis, however,  
03 for the costs associated with the purchase of lunch during trial. Accordingly, excluding the lunch  
04 costs, the Court finds Shugart entitled to an award of \$818.26 in costs.

05 CONCLUSION

06 For the reasons described above, Shugart's renewed motion for attorneys' fees is  
07 DENIED, while his request for costs is GRANTED in part. The Court finds Shugart entitled to  
08 an award of costs in the amount of \$818.26.

09 DATED this 2nd day of May, 2008.

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11 Mary Alice Theiler  
12 United States Magistrate Judge

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